



Appropriations Update

Committee on the Budget • Majority Caucus
U.S. House of Representatives
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ENERGY AND WATER APPROPRIATIONS BILL FOR FISCAL YEAR 2004 – H.R. 2754

SUMMARY

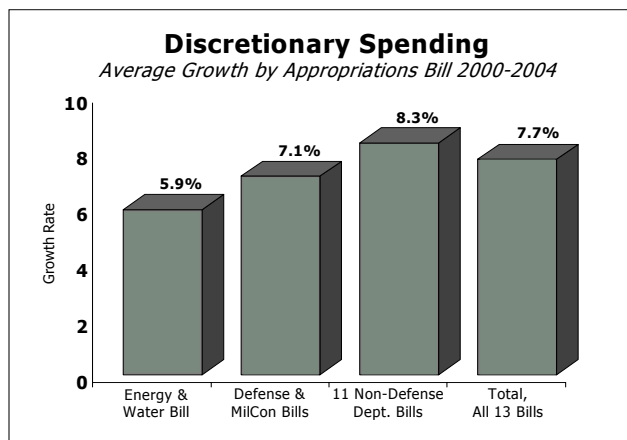
The Energy and Water appropriations bill reported to the House on 16 July 2003 (HR 2754; H.Rept.108-212) provides new budget authority equal to the 302(b) suballocation for the Appropriations Subcommittee on

Energy and Water. The bill is consistent with the House Concurrent Resolution on the Budget for Fiscal Year 2004 (H.Con.Res. 95), and also complies with the requirements of the Congressional Budget Act.

COST OF THE LEGISLATION

H.R. 2754 provides \$27.080 billion in new budget authority [BA] and \$27.173 billion in outlays for 2004 – an increase of \$1.224 billion in BA and \$1.697 billion in outlays from fiscal year 2003 (see Table 1 below). Budget authority increases by 4.7 percent from the previous year, and is \$279 million above the President's request.

As shown in the chart alongside, assuming enactment of this bill, new BA for energy and water will have increased an average of 5.9 percent a year in 2000-04. This rate of growth is lower than that of the appropriations bills for the Department of Defense and other Federal agencies, and is 1.8 percentage points below that of discretionary spending as a whole.



The bill includes \$80 million in rescissions of previously enacted BA, with \$4 million in related outlays. The bill does

not contain emergency-designated new BA, nor does it include advance appropriations.

Table 1: Energy and Water Appropriations Bill
(fiscal years; millions of dollars)

	2003 Spending ^a	Administration 2004	302 (b) for 2004	Bill
Budget Authority	25,856	26,801	27,080	27,080
Outlays	25,476	27,006	27,211	27,173

^a Does not include \$300 million in BA and \$79 million in outlays included in the fiscal year 2003 Iraq conflict supplemental (Public Law 108-11).

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This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of all the committee's members.

COMPLIANCE WITH THE BUDGET RESOLUTION

The bill complies with sections 302(f) and 311(a) of the Budget Act. The first of these prohibits consideration of bills in excess of a subcommittee's 302(b) allocation for new budget authority. The second, section 311(a), prohibits consideration of legislation exceeding the aggregate levels of budget authority and outlays established in the concurrent resolution on the budget.

The \$27.080 billion in new discretionary budget authority is equal to the 302(b) allocation to the House Appropriations Subcommittee on Energy and Water. Outlays are \$38 million less than the subcommittee's outlay allocation. Because no appropriations bills for fiscal year 2004 have been enacted, there is ample room under the BA ceiling, and hence the bill would not violate section 311(a).

Table 2: Discretionary Spending in the Energy and Water Appropriations Bill
(in millions of dollars)

	2003 Budget Authority ^a	2003 Outlays ^a	2004 Budget Authority	2004 Outlays	Difference BA	Difference Outlays
Corps of Engineers	4,599	4,606	4,484	4,737	-115	131
Interior	908	941	917	971	9	30
Energy - Defense	15,513	15,131	16,278	16,212	765	1,081
Energy - Non Defense	4,632	4,581	5,263	5,042	631	461
Other	204	217	138	211	-66	-6
Total	25,856	25,476	27,080	27,173	1,224	1,697

^a Does not include \$300 million in BA and \$79 million in outlays included in the fiscal year 2003 Iraq conflict supplemental (Public Law 108-11).

DISCUSSION

The bill is \$1.224 billion more than 2003 spending (see Table 2 above).

Compared with 2003, spending for the Department of Energy's defense accounts (Function 050) increases by \$765 million. The increases are for the National Nuclear Security Program (\$470 million), Environmental and Other Defense (\$182 million) and Energy Programs (\$113 million).

Spending in Energy's nondefense accounts increases by a net of \$631 million. Increases in Energy Programs (\$619 million), Departmental Administration (\$17 million), and Power Marketing (\$5 million) are offset by a \$10-million increase in transfers from defense decommissioning funds.

Spending for the Department of the Interior increases by \$9 million, compared with 2003. The increases are for the Bureau of Reclamation [BOR] (\$7 million), and the Central Utah Project (\$2 million). The bill does not fund the BOR's California Bay-Delta restoration, as requested by the administration, because it is not authorized.

The bill provides the Corps of Engineers with a net of \$115 million below 2003 levels. There are reductions in construction (\$101 million), Flood Control-Mississippi River (\$42 million), general investigations (\$16 million), and formerly utilized sites (\$4 million). These reductions are offset by increases in flood control and coastal emergencies (\$25 million), general expenses (\$10 million), operations and maintenance (\$6 million), and other activities (\$7 million). The bill focuses its spending on previously authorized Corps projects.

Other agencies funded by the bill are a net of \$66 million below the previous year. Funding is not provided for the Denali Commission (for a savings of \$48 million) because the agency has not complied with requirements to provide a detailed budget justification. Spending is reduced for the Appalachian Regional Commission (\$38 million), and the Delta Regional Authority (\$6 million). These reductions are offset by increased spending for the Nuclear Regulatory Commission (\$25 million), and the Defense Nuclear Facilities Safety Board (\$1 million).

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Relative to the President’s request, the bill increases BA by a net of \$279 million. These increases include the Corps of Engineers (\$435 million, principally \$239 million in construction, and \$139 million in operations and maintenance), Department of Energy nondefense accounts (\$154 million), and the Department of the Interior (\$26

million, largely due to a \$32-million increase for the Bureau of Reclamation).

These increases are offset by a \$326-million decrease in the National Nuclear Security Administration, and \$10 million in savings as a result of not funding the Denali Commission.

OFFSETS

The bill rescinds \$80 million worth of previously enacted BA. Of this amount, \$75 million in BA is from a Department of Energy account for rebuilding after the Cerro

Grande fire, and \$4 million is from the Department of Interior’s working capital fund. Only the latter rescission provides outlay savings, which total \$4 million.

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